



Politics: Old leaders face new country

By Kerin Hope

Published: November 10 2003 16:02 | Last Updated: November 10 2003 16:02

Thirty years ago the founders of the Panhellenic Socialist Movement were firebrand Marxists filled with enthusiasm for organising huge rallies, nationalising Greece's biggest manufacturing companies and pulling the country out of the Nato alliance.

Pasok has travelled a long way from its origins in the resistance to the colonels' dictatorship in the 1970s, but its leadership stayed the same.

In power for all but three of the past 22 years, the party faces an uphill struggle to win another election. The most favourable recent opinion polls give the opposition New Democracy party a lead of 6 percentage points.

After the end of communism, Pasok renounced its Marxist charter. Companies that were able to survive a decade of state ownership are back in private hands. A Greek military contingent has been part of Nato's peacekeeping mission in Kosovo since 1999.

However, Costas Simitis, prime minister and party leader for the past seven years knows that the presence of a large group of 1970s politicians in the top ranks of the hierarchy - including himself - makes it hard to re-invigorate Pasok.

As the parliamentary elections approach, he has decided to promote younger people to transform Pasok into a mainstream European social democratic party.

Mr Simitis's decision to move the party to the centre reflects his own transition from leftwing activist - he fled to Italy, then Germany during the dictatorship to escape arrest - to moderate pro-European socialist.

But while Mr Simitis shifted position some years before he took over the party leadership, he was willing until recently to accommodate the populist faction.

In July, however, the prime minister signalled a change by sacking Costas Laliotis, the party's secretary general and a symbol of its radical past, and appointing a member of his own "modernising" faction in his place to organise the election campaign.

Michalis Chryssohoides, the new secretary general, won praise in his previous post as public order minister for securing the arrest of 20 alleged members of November 17, a leftwing terrorist group active since the 1970s. He co-operated closely with UK and US investigators in the hunt.

http://financialtimes.printthis.clickability.com/pt/cpt?action=cpt&expire=&urlID=8230830&... 11/28/2003

8

But he has his work cut out to build a consensus between modernisers and Pasok's old guard, who can be heard addressing each other as "comrade" in the party headquarters.

"There's still time to win back undecided voters who've supported Pasok in the past. But it's going to be a close-fought election," says George Papaconstantinou, a former adviser to Mr Simitis who moved to Pasok with a brief to develop policies.

Pasok is expected to field many younger candidates and more women to broaden its appeal.

"The typical Pasok voter is middle-aged, male and works in the public sector," says Mr Papaconstantinou. "We need to reach a bigger cross-section of the population."

To some extent Mr Simitis is hedging his bets. In a pre-election cabinet reshuffle, he brought back Kimon Koulouris, a prominent member of the populist faction banished from the government when Mr Simitis took over.

As deputy trade minister, Mr Koulouris's job has been to tackle inflation by cracking down on businesses accused of raising prices excessively after the launch last year of euro notes and coins. He made regular visits to street stalls and supermarkets with a television crew - in the style of Pasok's early years,

"Pasok has survived in power as long as it has because it's been able to adapt to changes in the political environment," Mr Koulouris says. "But the party's become too distant from people's lives. We have to get out more, be accessible and listen harder."

Contents

Greece - November 11 2003

Introduction: Modernisation's Olympian test

Politics: Old leaders face new country

Costas Karamanlis: The final straight

Banking: Market eyes consolidation

Economy: Careful to keep their prudent

<u>reputation</u>

National Bank: Boosting its Balkans role

EU aid packages: Closing the prosperity gap

Athens mosque: A foundation stone

<u>Greek Muslims: Gradual easing of stalemate</u> <u>Trafficking: Criminals exploit \$2bn business</u>

Shipping: Owners face stormy waters

Athens: Making up a fresh face for the world

Tsakos Group: Charting a fresh course

Athens Olympics: A long jump to the Games

Social issues: Building a safer site

Related Reports

Belgium 2003

Bosnia-Herzegovina 2003

Czech Republic 2003

Germany 2003

Greece 2003

Latvia 2003
Romania 2003
Spain: Finance 2003
Searching for earlier Reports
Turkey: Finance 2003

• requires <u>subscription</u> to FT.com

Find this article at:

http://news.ft.com/s01/servlet/ContentServer?pagename=FT.com/StoryFT/FullStory&c=StoryFT&cid=1066565764439&p=1059480290428

Check the box to include the list of links referenced in the article.

